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TO: House Committee on Appropriations
FROM: Health Care Association of Michigan (HCAM)
DATE: December 1, 2015
SUBJECT: House Bills 5078, 5079, 5080 and 5081

For the past several years there has been considerable discussion regarding the release of “medically frail” prisoners. HCAM has been on record throughout these discussions opposing the parole of elderly, sick prisoners into the current long term care system. For several reasons we have advocated for a separate, dedicated nursing facility to be used.

By way of background, the vast majority of nursing facilities operating in Michigan are certified by the Centers for Medicare and Medicaid (CMS). Facilities operate under the “Requirements of Participation” to receive Medicare/Medicaid reimbursement for services provided. The requirements include regulations related to resident’s rights, quality of life, quality of care and facility administration.

HCAM is concerned that House Bills 5078, 5079, 5080 and 5081, as introduced, would allow for the parole of a “medically frail” prisoner to any nursing facility. Also, the conditions of medical parole defined in this legislation are inconsistent with regulations nursing facilities must follow under the federal “Requirements of Participation.” In recent discussions with CMS’s Long Term Care Division, it was made very clear to HCAM that paroles of this nature could jeopardize a facility’s certification if admitted. In addition, providers, residents and their families have other significant concerns with prisoners being released with the likely outcome of placement in a nursing facility.

It is our understanding it is not your intent to do this and that the goal is to establish a framework to use a dedicated medical facility where “medically frail” parolees could qualify for Medicaid services. However, CMS does not currently allow this and it is uncertain as to if or when they would ever implement changes to move forward.

HCAM has drafted amendments and is working with Representatives Pscholka’s and VerHeulen’s offices to address our concerns. We hope to reach consensus and move forward in support of the bills.

HCAM is a statewide trade association representing proprietary, not for profit, county medical and hospital-based long-term skilled nursing and rehabilitation facilities. We also represent assisted living communities through our affiliate, the Michigan Center for Assisted Living. There are more than 400 nursing facilities in Michigan employing more than 40,000 dedicated workers. If you have questions, please contact Melissa Samuel at melissasamuel@hcam.org.